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Guatemala

Organic Products

Vegetables

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Report Highlights: Vegetable production for 2000 was estimated at 380,000 MT but only around 1,000 MT were organically produced. In 2000, around 18,271 hectares were planted for the export market. Exports were reported at 153,459 MT of which 61,465 MT were exported to the United States. Almost all organically produced vegetables were exported to the more demanding markets in the United States and Europe.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
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Executive Summary

Organic production methods in Guatemala began in 1987 with the organic certification of several coffee farms. From 1990 to 1992 Guatemala experienced a significant interest in organic food production, due to demand for these fruits and vegetables in the global markets. By 1993 Guatemala had several certified farms for coffee and vegetables. In 2001, several organized groups and private entities are involved in the process of producing and/or certifying organic foods.

Organic foods certification agencies working in Guatemala have norms and regulations for each company or entity to guarantee the origin, quality, process and commercialization of organic products. The certification agencies currently working in Guatemala are: OCIA, Oregon Tilth, QAI, BCS Oko Garantie, Naturland and Mayacert.

Commercial vegetable production in Guatemala is estimated to be around 400,000 MT and around 20,000 hectares were reported to be planted for exporting production. It is estimated that only around 1,000 MT were organically produced. Exports were estimated at 153,459 MT and around 61,465 MT were exported to the United States. Almost all organically produced vegetables were exported to the U.S. and Europe. Organic coffee production is estimated at approximately 200,000 bags (60 kg bags), with most of the organic coffee exported to the U.S., Europe and Japan.

Domestic vegetable consumption is estimated at 226,000 MT, consumption of organic vegetables in Guatemala is almost non-existent since almost all organics are exported to the U.S., Europe and Japan.

Production

As stated Guatemala's vegetable production is estimated to be 400,000 MT. The current planted area is estimated at around 50,736 hectares. Around 64 percent goes to local consumption or exports to Central America and the remaining 36 percent is exported to the United States and Europe. The area for organically produced vegetables is estimated that is around one percent of the total production area.

Vegetables are produced in all the regions around the country. The planting area is distributed according to the climate required for the different vegetables. Planting areas are divided in four different regions:

- In the Central Region (Sacatepéquez and Chimaltenango Departments), vegetables that need mild temperature are planted, a high percentage of the planted area is dedicated to plant vegetables for exports.
- In the Southwestern Region (Quetzaltenango and Sololá Departments), vegetables that need mild conditions for local consumption are planted.
- The North Region (Baja Verapaz region), is changing rapidly to an important producing area with high potentials.
- In the Northeastern Region (Zacapa Department), vegetables that need warm temperatures and

with low irrigation are planted.

In the past ten years vegetable production has been increasing at an annual rate of 2.6 percent. When looking for evidence that Guatemala is becoming more engaged in the global market, it is important to note that export production has grown much faster than production for local consumption. Organic production, dedicated in its majority for export has been growing at a rate of around 3 percent in the last few years.

As stated earlier production of organic coffee is estimated at 200,000 bags (60 kg bags), farming organic coffee continues to attract the more progressive farmers in Guatemala due to an increase in demand for organic coffee in the international markets and the price premium for organically farmed coffee. Currently, Guatemala's registered organic coffee production accounts for 5 percent of total production. The share of organic coffee is expected to start increasing in about four years.

Consumption

Recently obtained data shows that domestic consumption of vegetables reached 226,000 MT. Per capita consumption is estimated at 23 kg/person, an unexplainable decrease in comparison to consumption in 1970 of 25 kg/person. Local consumption can be described in three different levels according to personal income. Thus, local consumption can be estimated as follows: high income levels consume 40 kg/person, middle income levels consume around 27 kg/person, and low income levels consume around 17.5 kg/person.

As far as percentage from the personal budget spent in vegetables, low income levels spent higher percentage of their budget for vegetable consumption (10.4%). Although high income levels have the highest per capita consumption, they spent a small percentage of their personal budget (1.9%).

Local consumption for organic coffee and vegetables is minimal, most of the organically produced products are specifically produced for exports.

Trade

In 2000, around 20,000 hectares of vegetables and coffee were planted for exporting production. Exports were estimated at 153,459 MT and around 61,465 MT were exported to the United States. Almost all organically produced vegetables were exported to the U.S. and Europe. Organic coffee production in 2000 was estimated at around 200,000 bags (60 kg bags). In its majority organic coffee production was exported to the U.S. and Europe.

The most important export vegetables are broccoli, snow peas, french beans, sugar snaps and minivegetables. Academic research has been published that identifies the better vegetables for production and exports. In addition, processing plants are following FDA provided procedures. Several plants are utilizing modern production lines and systems with improved technological elements to be competitive in the international field.